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SPECIALIST
FOR HIGH-END
ELECTRONIC
COMPONENTS**

Trevor Toma,
CEO

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Microchip USA



The annual listing of 10 companies that are at the forefront of providing NXP solutions and transforming businesses

MICROCHIP USA

THE SOURCING SPECIALIST FOR HIGH-END ELECTRONIC COMPONENTS

By Richmond Smith

In the highly dynamic realm of electronics manufacturing, electronic components are a vital material that businesses count on to ensure manufacturing resilience, consistent product quality, and cost-effectiveness. Each piece of electronic hardware we use today can trace its lineage to this complex chain of electronic component procurement, and a lack of any of those components can result in financial losses and reputation hits.

Although this industry provides excellent opportunities for manufacturers, it also poses many challenges and risks. They must deal with the constant shortage of back-ordered, hard-to-find, and obsolete components, which can drive up the costs and reduce margins. They must also grapple with long and unpredictable delivery schedules that affect their planning and customer satisfaction. A manufacturer's electronic component supply chain can positively or negatively impact their operations.

A trusted provider of premium electronic components, Microchip USA, rises to these challenges with its mastery of component sourcing and procurement. Built on the solid foundation of industry veterans, it shines as the premier independent distributor of board-level electronics for parts like FPGAs, CPLDs, SoCs, MPUs, MCUs, and many others. Most frequently, they support their clients on shortages of AMD/Xilinx, Intel/Altera, NXP, and other top component manufacturers. Thanks to its extensive network of excess inventory, the team of specialists can support over a million-line items and numerous active components.

"We always deliver on our promise of being a dependable all-around solutions provider by offering component sourcing, quality control, excess inventory management, tail spend management, vendor managed inventory, and other tailored services for our clients," says Trevor Toma, CEO of Microchip USA.

Trevor Toma,
CEO

WE ALWAYS DELIVER ON OUR PROMISE OF BEING AN ALL-ROUND SOLUTION PROVIDER TO CLIENTS BY OFFERING EVERYTHING FROM QUALITY INSIGHT REGARDING VARIOUS COMPONENTS TO OPTIMIZING EVERY SUPPLY CHAIN FACET

Microchip USA leverages proven processes and state-of-the-art techniques to complement its component sourcing excellence. It utilizes a client-centric attitude to help manufacturing lines remain up and running while continuously mitigating risks in the global electronic supply chain. It provides cost savings for clients while assisting them with their manufacturing needs.

Microchip USA's approach to efficient component sourcing primarily hinges on three key pillars: identifying the best support systems, selecting the right source that aligns with the client's needs, and enhancing processes to minimize costs and mitigate risks of inferior products and services. It's team manages specifications, requirements, and processes for every project to improve the support systems, while quality processes, procedures, and certifications underscore its commitment to excellence. Microchip USA acts as a buffer between its clients and the volatile markets in the procurement process, ensuring only third-party tested components reach the client, ensuring that only the highest quality materials are used.

Checking the Right Boxes with Value-Addition

In addition to expert component sourcing and procurement, Microchip USA offers its clients additional value-added services.

Microchip USA assists clients with comprehensive obsolescence management services for legacy projects that have been in production for extended periods of time. It collaborates with clients to better understand their objectives—profitability, customer service, or project redesign—and ensures its operations are aligned well with their goals and preferences. For example, if a client wants to sustain one of their ongoing projects for the future, the team can strategically allocate material.

A common obstacle for Microchip USA's clientele is limited inventory. Here, the team advises clients on component stock forecasts, product lifecycle changes, and possible alternative components that can replace expensive or impossible-to-procure parts. The company's expertise in obsolete component sourcing is particularly valuable for military and medical equipment clients where government regulations and industry business practices require the companies to support their products for long periods.

Microchip USA has also provided comprehensive vendor-managed inventory solutions. Through this service, company experts delve into client-supplied bills of materials, effectively comprehending demand and supply. This service is invaluable for resource-strapped clients grappling with high supply chain workloads and limited staff members. The vendor-managed inventory service provides clients with additional bandwidth and

enables them to navigate projects with confidence and sustained support, enhancing long-term project success.

The tail spend management service is also part of Microchip USA's portfolio. History shows us that, in general, 80% of an organization's spending goes towards only 20% of its suppliers. These key players command greater management and negotiation efforts. However, the remaining 80% of the suppliers, though more minor in their impact, collectively make up around 20% of their expenditures. The company can streamline this process for its clients by assessing supplier risks, conducting quality evaluations, and managing diverse suppliers on their behalf. This minimizes clients' workloads, risks, and eliminates the need for extensive paperwork and supplier onboarding directly by the client. It also ensures material with stringent quality controls and removes the requirement of expanding approved vendor lists.



OUR SUPERIOR CUSTOMER SERVICE ALLOWS US TO GUIDE CLIENTS THROUGH EVERY STEP OF THE PROCESS, PROVIDE EFFICIENT UPDATES, AND COLLABORATE ON SWIFT SOLUTIONS TO THEIR UNIQUE CHALLENGES

Microchip USA's expertise goes beyond a typical independent distributor of board-level electronics, as it extends to resolving surplus inventory issues and ensuring efficiency, agility, and timely deliveries.

Over the years, Microchip USA has developed a complete suite of sales and marketing systems to empower its supply-chain functions. Luckily for its clients, the company now leverages these platforms to facilitate surplus inventory transactions on their behalf, matching clients with excess parts to other manufacturers needing these components. By taking an adaptive approach, it crafts custom solutions to liaise and expedite deliveries. It ensures accurate shipment tracking, adheres to specific timelines, and offers swift solutions through its strategic partnerships, which can massively reduce lead times and serve as a profit center for the supplying organizations.

To put things into perspective, let's consider a client having an excess part located in Germany, and a local manufacturer wishes to divest it. The Microchip USA team adeptly manages the entire transaction, ensuring a seamless experience for all parties from start to finish. Here, it acts as a facilitator between both parties involved. Even when clients need parts in a few days or

weeks, it circumvents conventional shipping methods to expedite transportation using hand deliveries via commercial flights to meet tight timelines and reduce supply chain risks.

A Commitment to Quality

Microchip USA is committed to unbiased quality through third-party testing. The company leverages a network of multiple third-party labs that help expedite lead times, enhance overall quality, and strengthen client partnerships. By prioritizing accountability, it ensures that components undergo rigorous third-party testing, including full functionality and authentication testing, thus eliminating the risk of compromised results or manipulated data by a typical in-house testing operation. This dedication to uncompromised quality and transparency makes Microchip USA a reliable resource for clients seeking dependable component testing and validation.

Microchip USA is committed to excellence in everything they do, and its industry certifications and association memberships demonstrate this commitment. The company is a GIDEP member and is held to the standards of the ISO 9001, AS-9120, ISO 14001:2015, and ISO 27001:2013 certifications.

Crafting a New Frontier in Component Sourcing

An unwavering commitment to exceptional client experience underpins Microchip USA's endeavors. Its communication channels are always open and active to ensure seamless problem-solving and continuous dialog. Clients can be assured that they will receive the most comprehensive service and insight along the purchasing cycle.

"Our superior customer service allows us to guide clients through every step of the process, provide efficient updates, and collaborate on swift solutions to their unique challenges. Placing paramount importance on transparent communication, we demonstrate our dedication by facilitating the client's success and delivering a superior experience," says Toma.

This excellent customer service is directly attributed to the team at Microchip USA, which is skilled and equipped to tackle diverse challenges. Its direct engagement with clients helps address shortages, solve issues with legacy projects, improve inventory management, control tail spends, and shorten deadlines. The company has the best talent joining its team, which facilitates exceptional client experiences.

Backed by a skilled team of experts, Microchip USA is embarking on a global expansion journey. Its inaugural international office in Berlin, Germany, is a forward-looking testament to this, wherein it aims to continue delivering top-tier services to new and existing clients. This is an important step toward the vision of assisting clients as a 24-hour business. Microchip USA continues to work towards its mission of pursuing new opportunities for growth and becoming an indispensable resource to clients worldwide. 

